September 29, 1997

Mr. Jorge DeGuzman Air Pollution Control Engineer Sacramento Metropolitan Air Quality Management District 8411 Jackson Road Sacramento, CA 95826

Re: Proposed Title V Operating Permit for Santa Fe Pacific Pipeline Partners, L.P.

(Bradshaw Terminal)

Dear Mr. DeGuzman:

The U.S. Environmental Protection Agency (EPA) appreciates the opportunity to review and comment on the proposed Title V Operating Permit for Santa Fe Pacific Pipeline Partners, L.P. - Bradshaw Terminal (No. 96-04). In accordance with 40 CFR §70.8(c), and the Sacramento Metropolitan Air Quality Management District (District) Rule 207, the EPA has reviewed the proposed permit during our 45-day review period.

In general, the proposed permit establishes enforceable conditions with adequate monitoring, record keeping and reporting requirements. However, as my staff discussed with you on September 9, and 19, 1997, there are several issues/corrections that require changes to the proposed permit. We have enclosed our comments for your review.

We look forward to working with you to resolve any outstanding issues. If you have any questions concerning our comments, please do not hesitate to contact John Walser of my staff at (415) 744-1257.

Sincerely,

Matt Haber Chief, Permits Office Air Division

enclosure

cc: Ray Menebroker, CARB

P.L. Avery, Santa Fe Pacific Partners, L.P. -- Bradshaw Terminal

ENCLOSURE

EPA Comments on the Proposed Title V Operating Permit for Santa Fe Pacific Pipeline Partners, L.P.

(Bradshaw Terminal)

- 1. Vapor Incinerator -- In the Equipment Specific Requirements section for APC Truck Loading of the proposed permit, the operational conditions state that vapors/effluent from the refrigeration unit, vapor holder and tank truck are treated or processed by the vapor incinerator. As agreed to in our discussion with District staff on September 9, 1997, and the proposed changes submitted by the District on September 24, 1997, the permit should discuss the operational requirements and the combustion-type emissions associated with the vapor incinerator, even if those emissions are found to be insignificant. Also, monitoring and recordkeeping is necessary to demonstrate compliance with applicable requirements (e.g., VOC and NOx emission limits, burn period, temperature limits etc.) for the vapor incinerator. It is not clear that the minimum temperature limit of 390 degrees in the thermal oxidizer chamber ensures compliance with applicable requirements. Therefore, we recommend that you add the proposed changes submitted on September 24, 1997 to the appropriate section(s) and reference the most recent source test data available.
- 2. NSPS Requirements -- As agreed to in our conversation of September 9, 1997 with District staff, references to the relevant federal rules/regulations in general should be added to the permit. We understand that the bulk terminal is not subject to the requirements of NSPS Subpart XX. However, the General Requirements section of the permit should discuss the NSPS Subpart XX requirements in accordance with 40 CFR § 60.500. If construction or modification (resulting in an emissions increase) has not occurred at the terminal since December 17, 1980, and the facility is not subject to Subpart XX, please provide this information in the permit. Otherwise, the permit must contain the requirements as outlined in Subpart XX, including monthly leak inspections as well as vapor tightness tests for tank trucks etc.
- 3. *MACT Standard* -- It is our understanding that the bulk loading facility is not a major source of HAPs and therefore not subject to the requirements for gasoline distribution facility Maximum Control Technology (MACT) standards (40 CFR 63, subpart CC). We recommend adding a discussion to the General Requirements section of the permit discussing this.
- 4. Delivery Vessels -- Condition 2, on page 31 of the permit states that Santa Fe Pacific Pipe Line Partners, L.P. shall not transfer or permit the transfer of organic liquids into any tank truck, trailer or railroad tank car unless the emissions to the atmosphere does not exceed 0.08 pounds of VOC per one thousand (1,000) gallons of organic liquids transferred as determined by a method specified in condition 7. However, there is no condition which addresses requirements for the delivery vessels specifically. It is our understanding that no delivery vessel shall be operated or loaded unless a valid (not expired) State of California decal, issued by the California Highway Patrol upon verification that the cargo tank complies with all requirements, is displayed on the cargo tank. Vapor recovery systems on cargo tanks are regulated by the requirements contained in the "Certification and Test Procedures" in Title 17, Section 94004 of the California Code of Regulations.

Therefore, we suggest the District add language to the permit which requires that only those delivery vessels (cargo tanker trucks) with a valid State of California decal certifying that the cargo tank truck complies with all certification requirements (including annual certification tests), shall be operated or loaded at the terminal.

5. Architectural Coatings -- Conditions 30, 31, and 32 cover VOC emissions from architectural coatings (District Rule 442). However, no reporting or record keeping is required by the rule, and there is no provision for it in the permit. EPA recognizes that the rule is primarily a manufacturing and sale restriction, but the source shares responsibility in ensuring that it purchases and uses products that comply with the rule. Therefore, the permit should contain a provision for recording architectural coatings purchased and applied. Although California has a state law which assures compliance with the rule, coatings may be purchased from other states. Thus we suggest the following language:

Santa Fe Pacific Pipeline Partners, L.P. shall keep a record of all architectural coatings purchased that are not clearly labelled as complying with the VOC content limits contained in Rule 442. Compliance in these cases can be determined by maintaining records of manufacturer's certifications or by Material Safety Data Sheets (MSDS) that demonstrate compliance with the VOC limits of Rule 442.

- 6. *Correction* -- on Page 28, under Equipment Specific Requirements, change the reference to "Rule 446, Section 311.2" under paragraph B(1.) to Rule 446, Section **312.1**. Rule 446, Section 312.1 covers tanks with internal floating roofs, not Section 311.2.
- 7. Clarification -- on Page 8, Conditions 19 and 22 have similar language but reference different sections of Rule 207. Condition 19 references Rule 207, Section 501.1, and Condition 22 references Rule 207, Section 304. The language in Rule 207, Section 304 concerns certification requirements. Please revise Condition 22 with the appropriate language from Section 304. We suggest the following:

Any title V application form, report, or compliance certification submitted pursuant to these regulations shall contain certification by a responsible official. The certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.